



# **Executive Offsite: Initiative Management**

**Strategic Business Integration  
Defense Finance and Accounting  
Service**

**November 5, 2009**

# Purpose and Agenda

**Purpose: Introduce the Initiative Management process as an enabler and a tool for achieving the Agency's Strategy**

- **Agenda**

- ✓ **Re-organization of Transformation to Strategic Business Integration (SBI)**
- ✓ **Evolution of the Initiative Management Guide (IMG)**
- ✓ **Master Initiatives List and the Strategic Portfolio**
- ✓ **Strategic Portfolio Initiative Definitions**
- ✓ **Managing the Master Initiatives List**

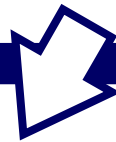
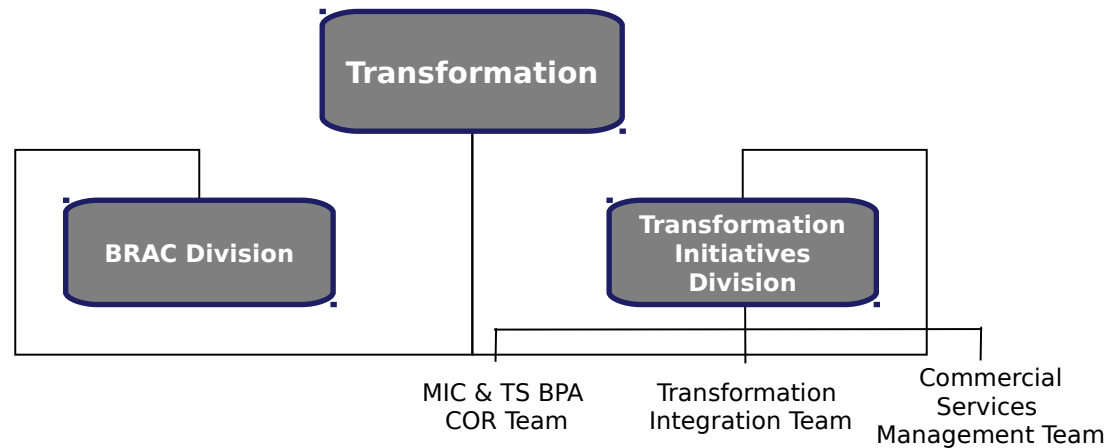
- **Bottom Line**

- ✓ **SBI will play a key role in sustaining and monitoring the Agency's Strategic Portfolio**
- ✓ **In addition to the Strategic Portfolio, the Master Initiatives List (MIL) will include projects and activities from the Agency's full portfolio of Initiatives**

# Evolution to Strategic Business Integration (SBI)

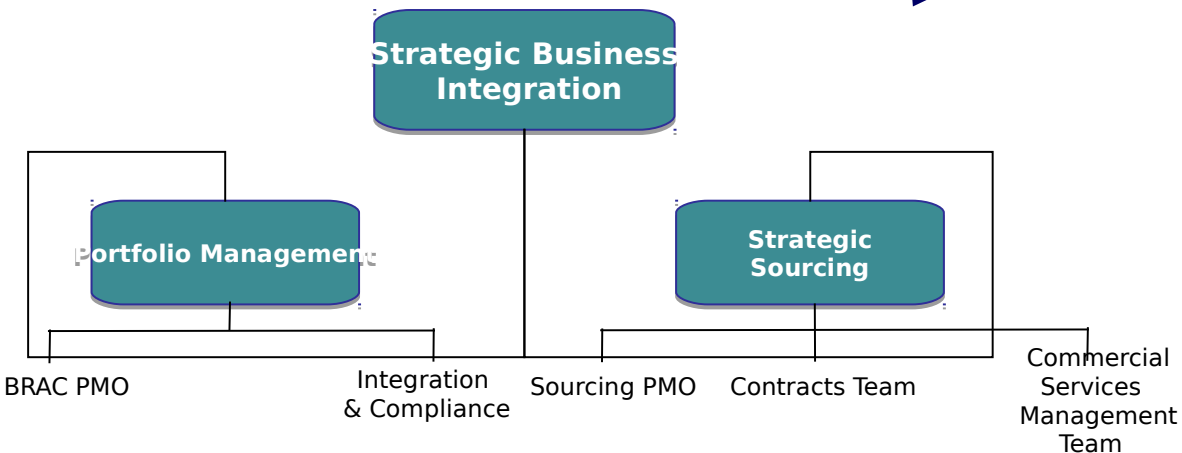
## ORIGINAL FOCUS:

- **Monitoring and reporting on BRAC workload migrations**
- **Improving rigor applied to project management activities (Transformation portfolio)**
- **Defining Transformation Initiative outcomes and objectives**



## EVOLVING FOCUS:

- **Contribute to new projects, as required, with cost, schedule, and performance tracking capabilities**
- **Posture to expand SBI's portfolio management and governance process to other high-impact/high-visibility initiatives**
- **Define roles and responsibilities of change efforts**
- **Serve as the focal point for DFAS strategic sourcing efforts**

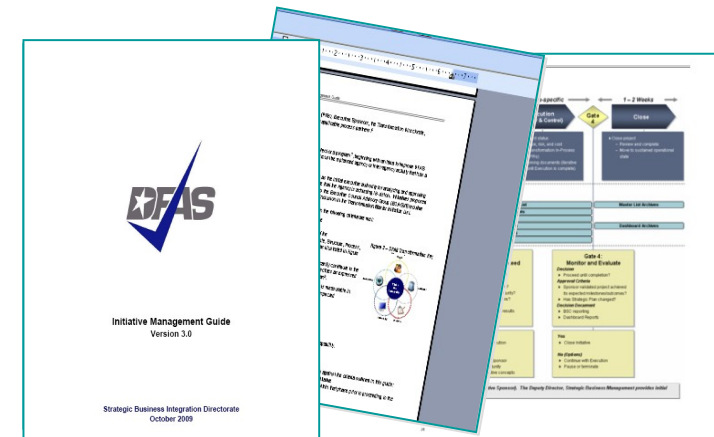


# Initiative Management Guide (IMG)

## The IMG establishes the governance process for defining and managing DFAS Initiatives

- Defines the roles, responsibilities, and disciplined approach to manage and monitor key Agency Initiatives
- Fosters the alignment and achievement of the DFAS Strategic Plan by communicating the:
  - ✓ Selection criteria for inclusion in the DFAS Initiative Portfolio
  - ✓ Requirements for entry into the Integrated Master Schedule (IMS)
  - ✓ Required process for implementing the Initiative Management Process

### Initiative Management Guide



### Initiative Management Process



◆ Gates serve as checkpoints to ensure Initiatives complete key tasks outlined in each phase, determine readiness to advance to next phase, and ensure alignment to DFAS Strategic Plan

# IMG Version 3.0 Enhancements

- **New tools and additional guidance in version 3.0:**
  - ✓ **Governance process (based on strategy efforts to date)**
  - ✓ **SMART Objectives and Outcomes Framework**
  - ✓ **Portfolio Classification**
  - ✓ **Enterprise Change Management Approach**
  - ✓ **Initiative Integration Roles and Responsibilities, Tools, and Matrices**
  - ✓ **Initiative Closure Report Guidelines**

**Focus of upgrades:** **Governance, Outcomes, Portfolio Classification, Change Management Applied to Initiatives, and Initiative Integration**

# Key IMG Governance Roles

## The IMG identifies governance roles for selecting and managing Programs and Projects on the Master Initiatives List (MIL)

### ● Executive Council (EC)

- ✓ Approve and assign new Initiatives (Strategic Portfolio, MIL, Agency Portfolio)
- ✓ Approve Agency Strategy
- ✓ Identify and monitor High Impact and High Visibility Initiatives on the MIL

### ● Strategic Council

- ✓ Update and maintain Agency vision, mission, and strategy
- ✓ Identify Strategic Gaps and recommend performance measures and targets
- ✓ Identify and recommend new improvement efforts; monitor and support existing efforts
- ✓ Supported by Strategic Committees

### ● Executive Sponsor/Program Manager

- ✓ Document Initiative Scope and Objectives
- ✓ Plan and manage Initiative execution; report status and risks as needed

### ● Strategic Business Integration (SBI)

- ✓ Develop and maintain MIL integration and reporting standards and tools
- ✓ Provide Initiative metrics; analyze and communicate performance and risks to Agency outcomes

# Agency Portfolio Initiative Types

**The Agency Portfolio of Initiatives includes three types of efforts:  
Strategic Initiatives, Enterprise Initiatives, and Tactical  
Projects/Activities**

- **Strategic Initiatives:**

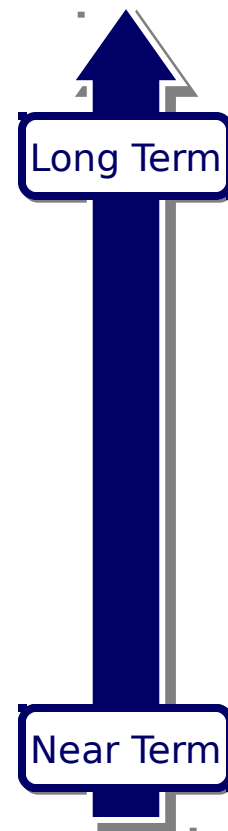
- ✓ The “Critical Few” - aligned to Agency Strategic Gaps
- ✓ Composed of one or more clearly defined Programs (e.g. centrally-managed collection of related projects)
- ✓ Chartered to achieve Agency Strategic Theme-level outcomes

- **Enterprise Initiatives:**

- ✓ Major, multi-point improvement Programs (impact multiple sites, customers, or business functions)
- ✓ May be focused to achieve one or more Strategic Objectives
- ✓ Directly aligned to one Strategic Perspective/Committee - may support multiple Strategic Initiatives, Themes or Perspectives

- **Tactical Projects:**

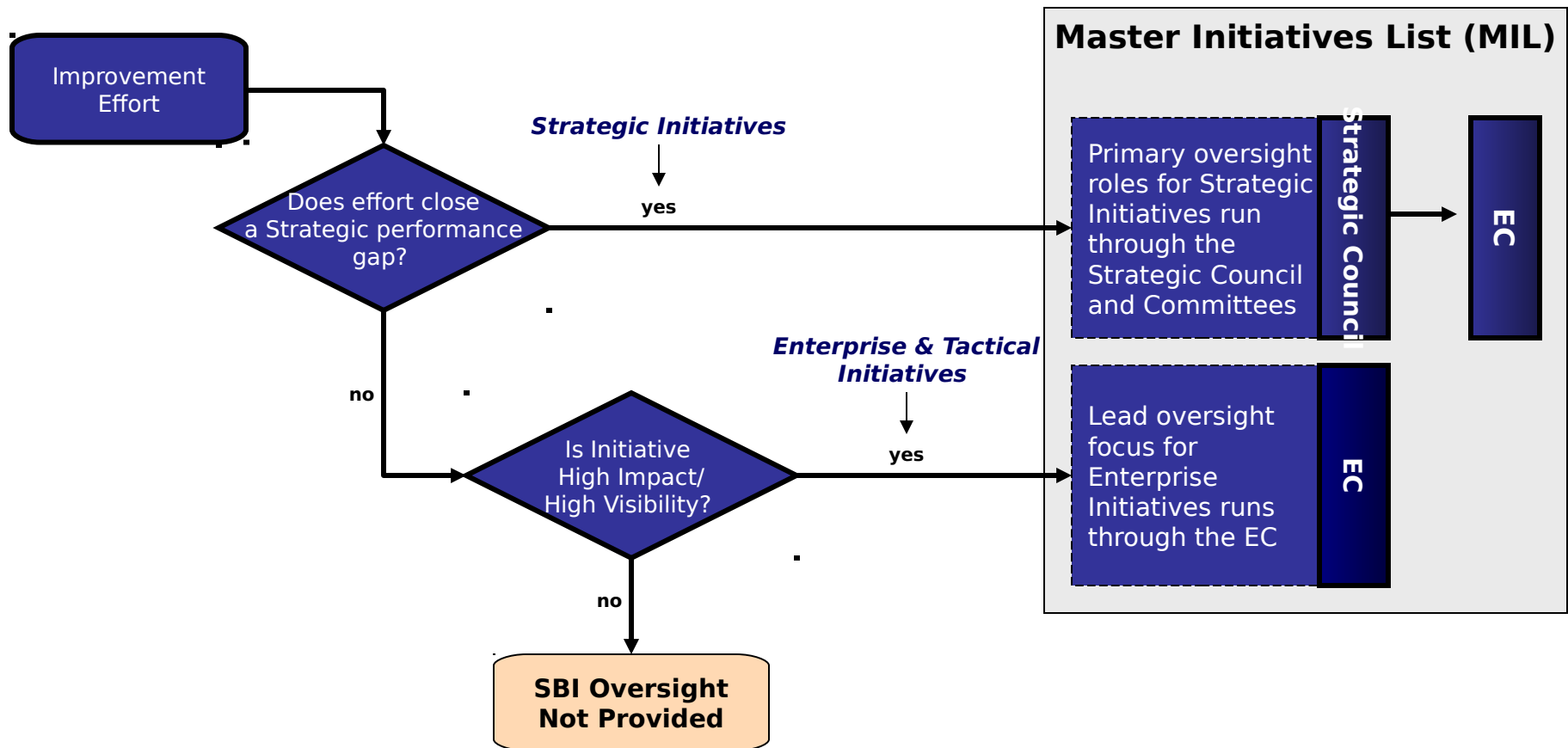
- ✓ Agency improvement efforts (Projects)
- ✓ Generally aligned to Agency Strategy/Vision or required to sustain Operations
- ✓ Clearly defined near-term objectives/ outcomes
- ✓ Enabling Initiatives



***Time-to-Benefit***

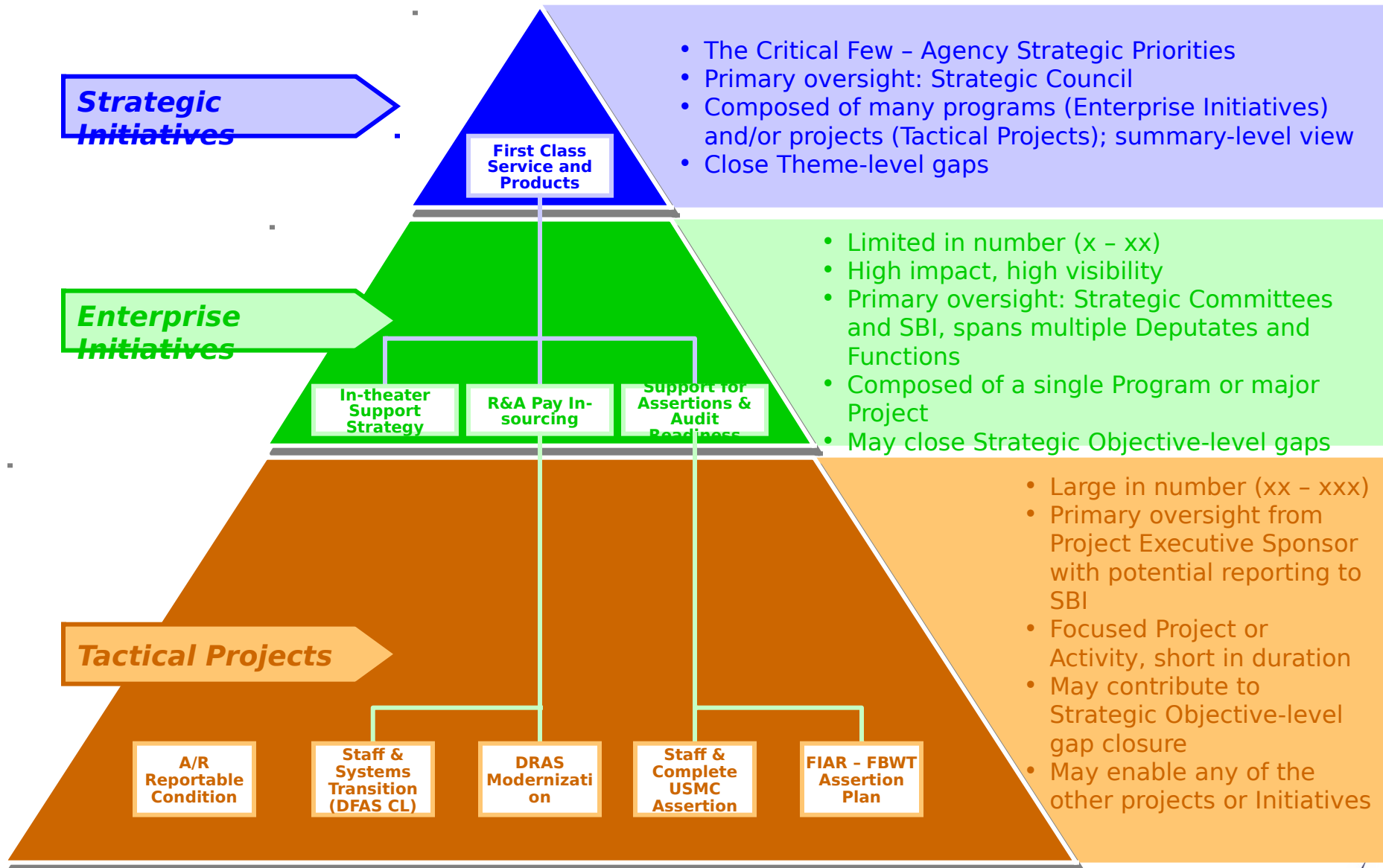
# Selecting the Master List of Initiatives

The MIL combines the complete Strategic Portfolio with “High Visibility” Programs and Projects designated by the Executive Council (EC)





# Strategic Portfolio Alignment



# Managing the Strategic Portfolio



Defense Finance and Accounting Service  
Strategic Business Integration Dashboard



- Monitor and support the current MIL (through January 2010)
- Incorporate new Strategic Initiatives into the MIL and prepare for monitoring
  - ✓ Conduct baseline assessment of Initiative readiness
  - ✓ Identify necessary improvements
- Provide support to new Strategic Initiatives
  - ✓ Identify Scope / SMART Objectives
  - ✓ Support charter, schedule, cost/BCA, and risk development
- Begin Initiative-level reporting for new Initiatives
  - ✓ Schedule/IMS
  - ✓ Cost
  - ✓ Risk
- Implement strategic reporting against Initiative portfolio
  - ✓ Portfolio Strategic Performance (forecast)
  - ✓ Risk to achieving Strategic Objectives
  - ✓ Strategic Budget Execution (STRATEX)

# Key Takeaways

***The Strategic Portfolio and the MIL represent the Agency's top priorities***

- ✓ **Current portfolio being refined**
- ✓ **New Portfolio of Strategic Initiatives being developed - SBI will serve as the Portfolio Advocate**

***The behavior and decisions of all DFAS leaders impact the successful achievement of our Strategy. We all must:***

- ✓ **Ensure that new efforts have clearly defined outcomes/benefits that align to our Agency Strategy**
- ✓ **Support the ongoing adoption of the IMG and the Agency Governance roles for Initiatives - "IMG for Everyone"**
- ✓ **Support achievement of Initiative key metrics: Earned Value Management (EVM), achievement of Agency outcomes, and risk mitigation**

**Thursday, 5 November:**

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## **Breakout #3: Strategic Initiative Portfolio**

**(2 hours: 1:00 - 3:00)**

### **Session Goals**

- **Review Portfolio of Strategic, Enterprise and Tactical Initiatives**
- **Demonstrate how Strategic Initiatives Close Theme Gaps**
- **Understand Roles and Responsibilities for Implementing Initiatives**

***Feedback from the Breakout Sessions will be captured and handed off to the Strategic Council/Committees.***